OFFICE *of the* FIRE COMMISSIONER

2003 ANNUAL REPORT 2004

Manitoba
Building for the Future

104-07774/

Minister of Labour and Immigration

Legislative Building
Winnipeg, Manitoba, CANADA
R3C 0V8

The Honourable John Harvard
Lieutenant Governor of Manitoba
Room 235 Legislative Building
Winnipeg MB R3C 0V8

May it Please Your Honour:

I have the privilege of presenting the eighth Annual Report of the Office of the Fire Commissioner for the fiscal year ended March 31, 2004.

Sincerely,

Nancy Allan

Nancy Allan

Manitoba

Deputy Minister of Labour and Immigration

Winnipeg, Manitoba, CANADA
R3C 0V8

The Honourable Nancy Allan
Minister of Labour and Immigration
Room 317 Legislative Building
Winnipeg MB R3C 0V8

I am pleased to submit for your consideration, the eighth Annual Report of the Office of the Fire Commissioner for the year ended March 31, 2004.

The Board and Management continue to strive to meet the important organizational mission of safeguarding both persons and property through education, investigations, emergency response and code application.

Sincerely,

Jeff Parr
Deputy Minister and Chairperson of the OFC SOA Advisory Board

OFFICE *of the* FIRE COMMISSIONER

Jeff Parr
Deputy Minister of Labour and Immigration
Room 311 Legislative Building
Winnipeg MB R3C 0V8

Dear Chairperson:

I am pleased to submit for your review the eighth Annual Report of the Office of the Fire Commissioner for the year ended March 31, 2004.

Highlights of the year:

- Non-levy revenues represent 40% of revenues, up from 21% in the first year as a SOA, allowing the Agency to reduce its reliance on the insurance levy
- An increase in the Fires Prevention Fund levy of 14%. Insurers increased premiums to cover losses due to lingering effects of the World Trade Center Disaster and declining stock market performance of investments. It is important to note that this type of increase is not expected to occur again in the near future
- The Agency applied for and received Federal and Provincial grants to cover costs associated with the Provincial hazardous materials, search and rescue initiatives and heavy urban search and rescue initiatives
- Training was provided to over 3,500 students
- Fire investigators investigated over 600 fires in 2003
- The Agency participated in 30 emergency responses, utilizing 1,670 Office of the Fire Commissioner staff hours.

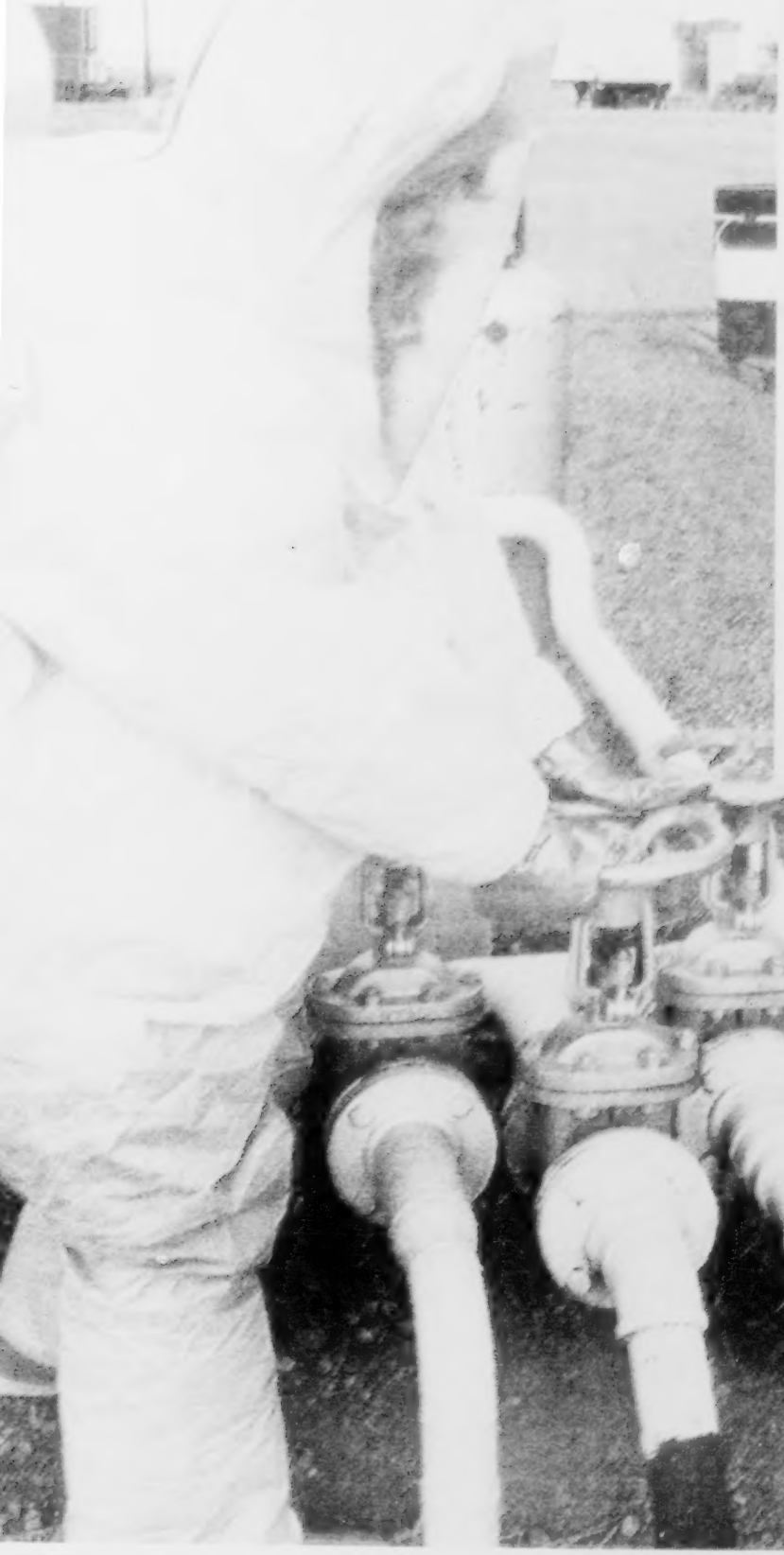
The ability of the Agency to continue providing these services in the future is dependent upon the continued historical growth of the organization and the continuation of strong permit and tuition revenue.

Yours truly,

Doug Popowich
Fire Commissioner

508 Norquay Building • 401 York Avenue • Winnipeg, Manitoba • Canada • R3C 0P8
Telephone: (204) 945-3322 • Fax: (204) 948-2089 • Website: www.firecomm.gov.mb.ca

Table of Contents



SOA Advisory Board 5

1 Agency Profile 6

2 Provincial Fire Statistics 9

3 Key Continuous Improvement Objectives 11

4 Performance Measures 18

5 Financial Discussion and Analysis 22

Auditor's Report and Financial Statements 27

SPECIAL OPERATING AGENCY (SOA) ADVISORY BOARD

The role of the Advisory Board is to provide advice on the Agency's strategic operations and on changes to its mandate, structure, business practices and finances. The Advisory Board reviews and comments on the Agency's proposed business plans, quarterly and annual reports.

The Advisory Board consists of the following individuals:

JEFF PARR
Board Chair
Ex Officio
Deputy Minister,
Manitoba Labour & Immigration

DOUG POPOWICH
Ex Officio
Fire Commissioner,
Office of the Fire Commissioner

Members

KEVIN BRISCOE
Client Representative
ING Insurance

PETER TARTSCH
Client Representative

DENNIS NODRICK
Client Representative
Manitoba Association of Fire Chiefs

DOUG DOBROWOLSKI
Association of Manitoba Municipalities
Councilor, RM of MacDonald

DICK HARVEY
Agency Staff Representative
Emergency Services Officer,
Office of the Fire Commissioner

WES SHOEMAKER
Client Representative
Fire Chief,
Winnipeg Fire Paramedic Services

1 AGENCY PROFILE

Historical Perspective

The Fires Prevention Act was originally created in 1872 for the prevention of prairie fires and included the authority to conduct fire investigations. In 1885, the Act was amended to include fire protection of wooded lands. In 1876, the first Fire Commissioner was appointed. In 1940 the *Fires Prevention Act* was separated into two parts. Part I dealt with the forest fires and Part II outlined the responsibilities of the Fire Commissioner in the area of fire prevention. Training of fire fighters became a responsibility in the early 1960s. Part I was replaced with *The Wildfires Act* in 1997.

The forerunner of The Building and Mobile Homes Act was *The Manitoba Public Buildings Safe Egress Act* of 1877. This was followed by The Manitoba Public Building Act in 1884. The focus of both these Acts was safe public assembly buildings and means of egress. The proliferation of building codes and standards, within the Province, caused the Government of Manitoba, in 1974, to introduce *The Building and Mobile Homes Act*. This present Act came into full force on April 1, 1977.

In 2002, as a result of September 11, 2001, Bill 2, *The Security Management* (Various Acts Amended) *Act*, received Royal Assent. This Bill changed *The Fires Prevention Act* to *The Fires Prevention and Emergency Response Act*. Bill 2 mandated the Office of the Fire Commissioner (OFC) to respond to emergency situations and ensure a sufficient incident management system is in place and operational. In addition, the Bill provided the Fire Commissioner with the ability to order evacuations in times of emergency.

Our Mission

To safeguard both persons and property from fire and life safety hazards through education, investigations, emergency response and code application.

Our Values

We believe that people have the right to live in safe communities.

We believe in providing the best possible programs and services to our clients.

We believe in being responsible for our organization and in our organization being fair, effective and efficient.

We believe in the loyalty of our people and value their continued development.

Organizational Services

The Agency provides a wide spectrum of mandated services and related activities. No one service area of the Agency stands alone. They are all fundamentally interrelated with the Education and Training area being the unifying and defining component.

These services break down into five broad categories:

Fire Investigations

Determines the origin and cause of all fires referred to the Agency.

Education and Training

Provides comprehensive emergency services training by the Manitoba Emergency Services College or by our community-based trainers. The Public Education unit provides services to the general public.

Emergency Services

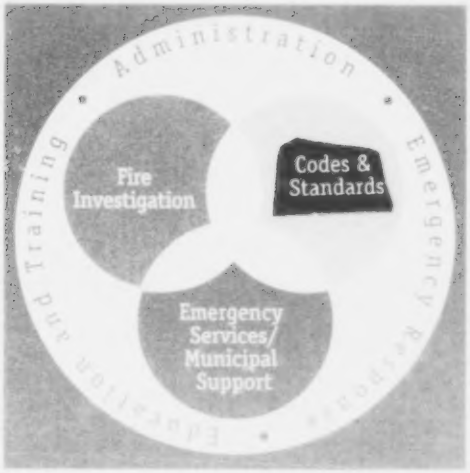
Provides consulting services to fire services and councils, response and coordination of response to emergency situations and maintenance of the province-wide Mutual Aid System and fire inspection services.

Codes and Standards

Provides building plan review, code enforcement, permits and fees, consultative services and production of the Manitoba Building, Fire and Plumbing Codes.

Administration

Administrative staff located in Winnipeg and Brandon provide support services which include clerical, college records management, statistical analysis, financial reporting and management direction from the Fire Commissioner.



These services break down into five broad categories:

Fire Investigations

Determines the origin and cause of all fires referred to the Agency.

Education and Training

Provides comprehensive emergency and non-emergency training for Agency personnel and other emergency service providers in accordance with applicable standards. The Agency's Training Division is also responsible for the delivery of fire prevention programs.

Emergency Services

Provides emergency response to fire, rescue and other emergency incidents. The Agency is responsible for the protection of the province's forests and for fires on federal and Native reserve lands.

Codes and Standards

Provides building code advice, code enforcement, permits and fees, consultative services and coordination on the Manitoba Building Code and Fire Code.

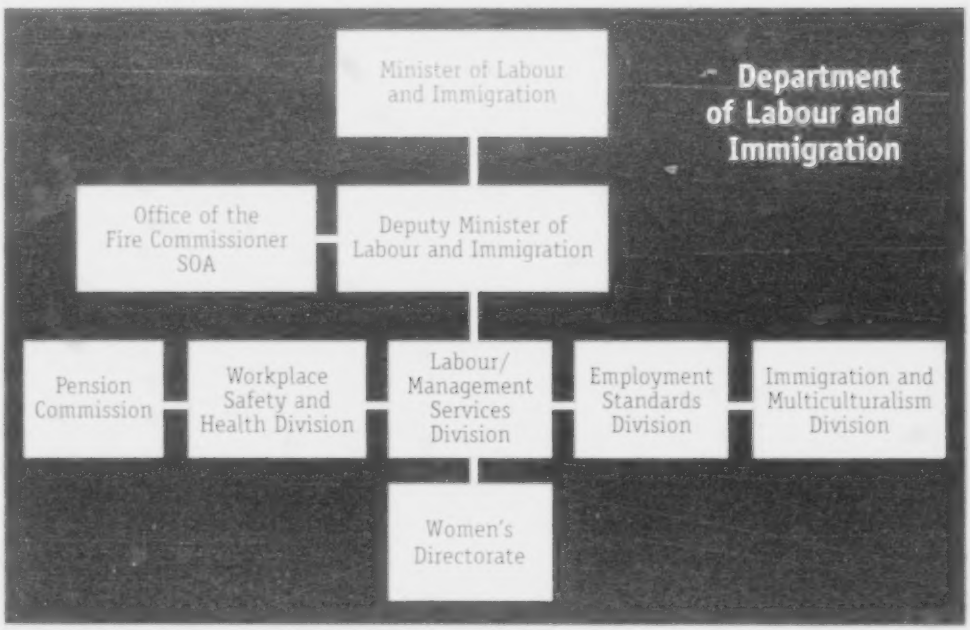
Administration

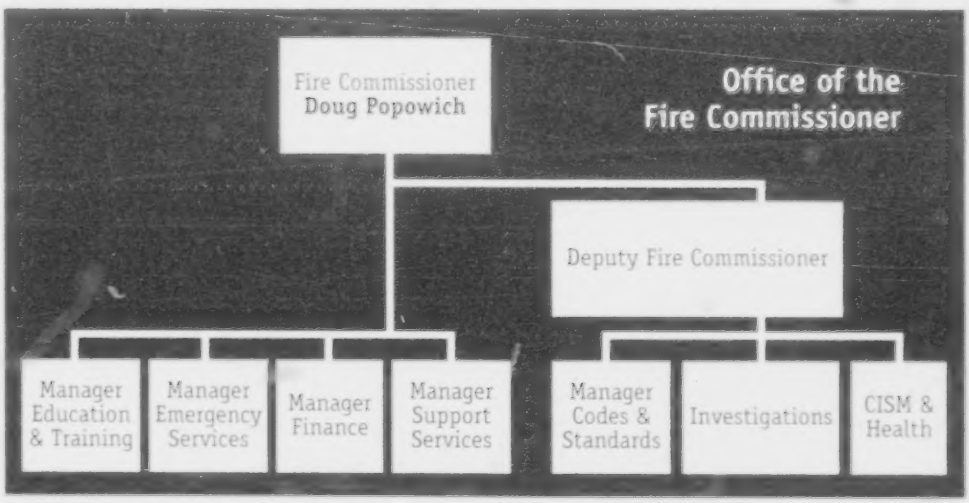
Administration staff provide a broad range of support services to the Agency, including financial, human resources, information technology, and administrative services.

Organizational Structure

The Office of the Fire Commissioner is an SOA (Special Operating Agency) contained within the Department of Labour and Immigration and reports directly to the Deputy Minister of Labour and Immigration.

The Agency maintains a relatively flat organizational structure. All managers report to either the Fire Commissioner or the Deputy Fire Commissioner. Managers are responsible for managing all aspects of their assigned program area. The Emergency Services Officers and Technical Service Officers report to their respective managers who in turn coordinate the sharing of officers between programs.


Department of Labour and Immigration
Minister of Labour and Immigration
Office of the Fire Commissioner SOA
Deputy Minister of Labour and Immigration
Pension Commission
Workplace Safety and Health Division
Labour/ Management Services Division
Employment Standards Division
Immigration and Multiculturalism Division
Women's Directorate



2 PROVINCIAL FIRE STATISTICS

The year 2003 showed an increase of 819 fires (15%) over those reported in 2002, property damages increased by approximately $8.8 million (11%). Twelve fatalities occurred, a decrease of nine over the 21 reported in the previous year. Injuries stand at 249, a slight decrease of eight over the 257 reported last year.

Fires in Manitoba resulted in an estimated $91.3 million in property damages during 2003. Thirty major loss fires (damages of $500,000 and over) accounted for nearly $34.0 million (37%) in property losses. One major loss in the Mining Industry accounted for nearly 18% of the major loss figure.

During 2003, 12 people perished as a result of 11 fires in the Province. No child deaths occurred as a result of fires in 2003. All of these fatalities occurred in the home.

While the cost of fires in terms of injury, death and property loss is high, it must be compared to the costs saved in lives and property as a result of the efforts of the Manitoba Fire Service. During 2003, an estimated $6 billion in property was saved as a result of the containment and suppression of fires. In addition, the Manitoba Fire Service reported assisting in the evacuation of approximately 2,400 individuals from fires.

The Number of Fires In Manitoba:

Number of Fires per 100,000 population

	2003	2002	2001	2000
Manitoba	499	432	385	389

The Cost of Fires to Manitoba:

Property Loss per capita

	2003	2002	2001	2000
Manitoba	74.18	67.04	64.08	61.64

Injury Rate per 100,000 population

	2003	2002	2001	2000
Manitoba	20.23	20.88	17.13	16.69

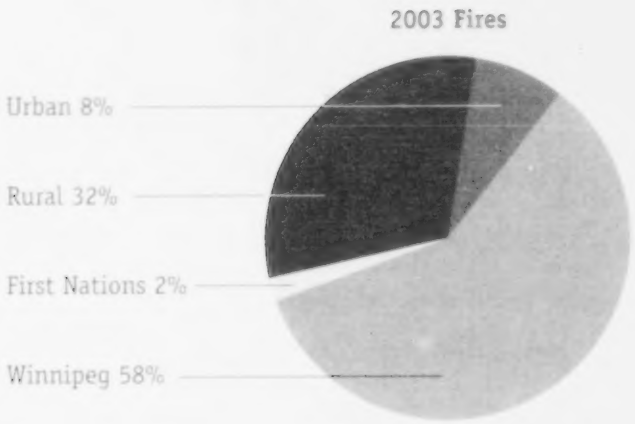
Death Rate per 100,000 population

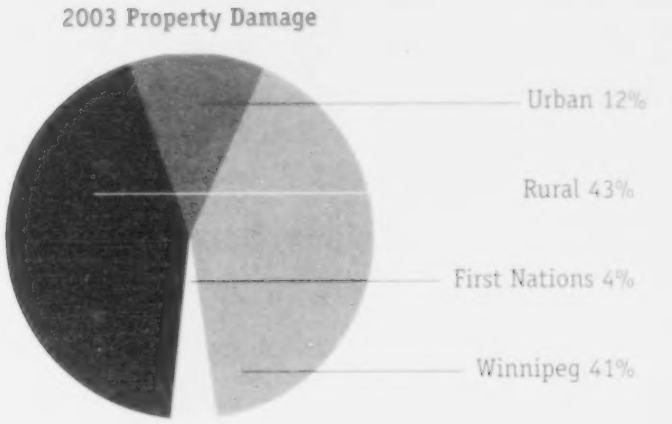
	2003	2002	2001	2000
Manitoba	.97	1.71	1.63	2.29

The Location of Fires in Manitoba

Distribution of Fires

	2003	2002	2001
Winnipeg	3,575	3,131	3,081
Remainder of Province	2,565	2,190	1,633





The City of Winnipeg accounts for 58% of reported fires and 41% of property damages in Manitoba. During 2003, 1,860 or 52% of Winnipeg's fires involved outdoor property, primarily rubbish and grass fires. Of these outdoor property fires, 936 were intentionally set or of a suspicious nature.

Rural Manitoba reported 32% of the fires and accounted for 43% of property damages. Urban Manitoba reported 8% of the fires and accounted for 12% of property damages. First Nations reported 2% of the fires and accounted for 4% of property damages.

During 2003 there were 6,140 fires which caused $91,316,703 in damages. Outlined to the right are the percentages of fires and damages by four major causes: accidental, arson, suspicious, and undetermined.

The City of Winnipeg reported a 33% increase in fires determined to be arson or suspicious in nature during 2003. The remainder of the Province's arson or suspicious losses also rose by 28% over 2002. This is a large increase over the previous year. The majority of these incidents are attributed to outdoor property fires.

The Arson Strike Force and Youth Fire Stop Program remain dedicated to reducing the losses in both the City of Winnipeg and the remainder of the Province.

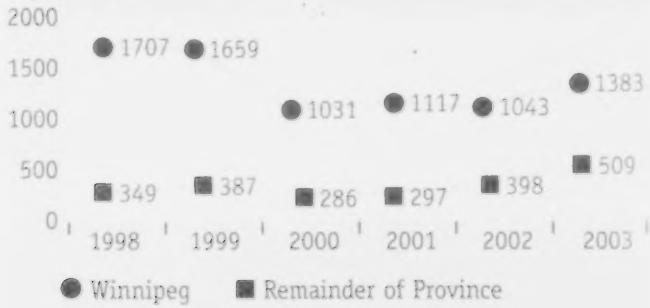
Causes of Fires

	Fires	Property Damage
Accidental	46%	51%
Arson	18%	14%
Suspicious	13%	10%
Undetermined	23%	25%

Outdoor Property Fires

	Total	Arson/Suspicious
2002	2,329	823
2003	3,040	1,210

Manitoba Arson/Suspicious Fires 1998-2003



3 KEY CONTINUOUS IMPROVEMENT OBJECTIVES

To continue to add related internationally accredited emergency service programs to the Manitoba Emergency Services College (MESC) to meet the public safety needs of the citizens of Manitoba, enhance the position of the MESC as the primary emergency services training provider in Manitoba, continue to improve the ability of Municipal Emergency Services to deal with emergency specific to their jurisdiction, and assist departments in reducing the potential of civil litigation by ensuring third party validation of programs.

The National Fire Protection Association (NFPA) sets standards that must be met before a course is accredited. The International Fire Service Accreditation Congress (IFSAC), based on its evaluation process, provides accreditation of courses that meet the established standards. To date, 21 courses have been accredited with IFSAC and the MESC is scheduled for re-accreditation June 17 – 20, 2004 on all these courses and two possible new ones. The MESC is completing work with the Winnipeg Fire Paramedic Services (WFPS) to delegate our accreditation to them. The MESC also has accreditation from the Canadian Medical Association (CMA) on Primary Care Paramedic and Primary Care Paramedic Bridging Programs. This accreditation is partnered with the WFPS.

The partnership with the WFPS continues and both organizations work very hard to maintain the standards and creditability of the programs offered.

On June 18, 2004 the MESC will graduate the 23rd Public Fire Paramedic Program class. The recruitment for the 2004/2005 Public Fire Paramedic Program is complete. The 64 students selected have been divided into two classes. One class will start March 29, 2004 and the second will start September 20, 2004.

Planning for the eighteenth annual Manitoba Emergency Services Conference, to be held October 14 – 16, 2004, is underway. This conference hosts emergency response personnel from Manitoba, Saskatchewan, North Dakota and Northern Ontario.

The Joint Emergency Preparedness Program (JEPP) Initiative to enhance the Province of Manitoba's ability to respond to hazardous

material emergency responses through the provision of training and equipment continues. The equipment orders are complete and the delivery of Hazardous Materials Awareness, Hazardous Materials Operations and EMS Response to Hazardous Materials Incidents Level 1 courses will be completed by the end of August, 2004.

The ground search and rescue training initiative continues training individuals to work on a search team in their community and provide Team Leader training.

Planning for the 2004/2005 MESC course catalogue is underway. Once again the MESC will be offering training in the areas of fire fighting, rescue, emergency medical, fire inspector, building inspector, instructor, fire investigation, driver/operator, management and public educator for emergency response personnel from across Manitoba.

To continue to examine and monitor the current Fires Prevention Fund Levy rate in relation to the cost of providing public safety services to the citizens of Manitoba.

The Fires Prevention and Emergency Response Act allows for a charge, not to exceed 2 per cent, on the value of premiums and assessments in respect to property insurance. The levy is currently set at a rate of 1.25%.

The Agency continues to monitor the Fires Prevention Fund and make recommendations on the appropriate levy rate in its annual business plan.

To continue to work with and support Municipalities to develop an emergency response system appropriate to that Municipality in the area of Critical Incident Stress Management (CISM), fire protection, rescue, and emergency medical response.

Over the past year the OFC extended its support to cities, towns and municipalities in Manitoba in an effort to enhance emergency response capabilities through training and education, consultation and emergency response.

The Provincial Hazard & Risk Analysis initiative has been an on-going project that the OFC has been supporting, and is now nearing completion. Community officials are being presented with the analysis data through a series of meetings with the OFC and Emergency Measures Organization (EMO). The Hazard and Risk Analysis document will be a very effective tool for local officials to use in an effort to upgrade their emergency response plans as per recent legislative requirements.

District Emergency Services Officers continue to work with local officials and emergency services to provide consultation and training in an effort to enhance the level of services provided. Training in incident command, emergency services management, and officer development were key goals in 2003/04 and continue to be a priority for the OFC through the MESC in 2004/05.

Once again, the OFC has hosted a series of elected officials presentations aimed at assisting officials and emergency coordina-

tors to understand their responsibilities in an effort to ensure that their communities are properly prepared, and receiving the best protection possible.

The Provincial Hazardous Materials (Hazmat) initiative continues to progress in an effort to better prepare the local emergency services, mutual aid districts as well as the Province to effectively mitigate Hazmat incidents including chemical, biological, radiological and nuclear (CBRN) incidents. At this time, the following progress has been made regarding this training initiative:

- 11 of 20 mutual aid districts, two of three training districts and one major community have received training to the Hazardous Materials Operations level as of March 31, 2004.
- The OFC continues to work towards the development of Hazmat Technician capability throughout the Province. At this time the only technician level response capability outside of the City of Winnipeg is available through the OFC in Brandon.
- 6 of 10 Regional Health Authorities have received training to the Hazmat Awareness and Hazmat for EMS Level 1 as of March 31, 2004.

Under a joint Federal and Provincial initiative, the OFC has taken the first steps to develop Urban Search & Rescue (USAR) capability within the Province. The necessary tools and support equipment have being acquired and the training and development of the team is well underway. The OFC is developing partnerships with various and private partners in an effort to develop this highly sophisticated response capability.

Over the past two years, the OFC has been working under the sponsorship of the National Search & Rescue Secretariat New Initiative Fund (NIF) to enhance the Ground Search & Rescue (GSAR) capability within the Province. Through this initiative, GSAR capabilities have been developed in seven of eight First Nations tribal council areas in the Province, as well as an effective Team Leader network has been developed. The OFC has received approval to carry this initiative forward into 2004/2005.

As per legislative requirements, the OFC continues to be prepared, and when necessary will respond to requests for assistance across Manitoba to ensure that incidents are being managed safely and effectively. The incidents being monitored include mutual aid calls involving multiple departments, special rescues and hazardous materials incidents.

Critical Incident Stress Management (CISM) continues to provide much needed assistance to emergency response personnel across Manitoba in dealing with the stresses involved with emergency response.

Training in Basic and Advanced CISM continue through 2003/2004. A Basic course was held in Gimli, Winnipeg, Flin Flon, Swan River, Selkirk, and planned for Brandon, Morden and Dauphin. CISM training was also provided during the Manitoba Emergency Services Conference in October, 2003. A modified Basic CISM course was also provided to INCO in Thompson in February.

Advanced CISM courses were conducted in Thompson and Winnipeg. A Provincial CISM Conference was held in Winnipeg with over 88 people in attendance. A CISM conference planning committee will begin planning for the 2005 conference shortly.

This training supports the existing seven OFC CISM teams and Winnipeg CISM teams (WFPS and Winnipeg Regional Health

Authority hospitals) which provide psychosocial support to emergency services in all Municipalities in Manitoba. Ongoing consultation and direct support is also provided to all of the Provincial CISM teams. The Basic and Advanced CISM Training Manuals have now been completed. The study on psychological screening tools for the Public Fire Paramedic Program is ongoing.

To continue to provide and improve the relevance, reliability and timeliness of financial information provided to all stakeholders of the Agency, both internal and external

The management information systems of the Agency are monitored and upgraded on a continual basis to ensure that this objective is met. An internal audit of services was conducted on the OFC at the request of Treasury Board during fiscal year 2003. The Agency has developed a plan to address the issues identified in the audit, with the intention of developing and implementing an improved financial accountability system by the end of fiscal 2004/05.

To continue to seek out and take advantage of revenue generating opportunities as resources allow in all Sections of the Agency.

The main goal of the OFC continues to be the provision of Public Safety Services to local Municipal authorities. Through these services, Municipal areas have enhanced their ability to provide a more comprehensive level of fire protection capabilities. OFC staff travel throughout the Province of Manitoba and beyond in order to instruct courses that will generate revenue for the Agency. This type of revenue generating activity is only undertaken if the core mandates of the Agency are not compromised by doing so.

To develop processes in the Codes and Standards Section to support building and business growth by utilizing an objective based code approach allowing for alternative solutions in building construction.

The Codes and Standards Section of the Agency is preparing for the implementation of the 2005 National Objective Based Codes. To date, various staff from this Section have participated in meetings and discussions at both the Provincial and National level.

Work is in progress to convert the National Building, Fire and Plumbing Codes into an objective based code format. This work will be concluded once the final changes to the National Codes are finalized.

Additional research will be carried out to determine the future needs required to address the implementation of the objective based codes. Issues to be considered are:

- Creation of a technical review board(s) to review complex proposals and provide direction.
- Review of current educational materials for compatibility with the objective based codes materials.

To continue to improve on investigative services to reduce the occurrence and cost of fires in the Province of Manitoba.

The OFC is continuing its commitment and mandate to fire investigation by continuing to provide ongoing training in the area of fire investigation to fire services and police agencies throughout Manitoba. Several courses are delivered every calendar year, for fire and police personnel. Special courses for the Winnipeg, Brandon and RCMP police agencies are currently scheduled as we build stronger ties in the cooperative field of fire investigation.

Fire Investigators in the Arson Strike Force (ASF) and the Emergency Services Section of the OFC continue to make timely responses to those fires requiring the identification of a cause beyond the capability or expertise of the local authority. The timely identification of any cause lends itself to supporting fire prevention and input into Fire and Life Safety Education programs, and input into the building construction world through the OFC Codes and Standards Section. Product safety is also a focus working with the insurance industry, Canadian Standards Association (CSA) and Underwriters Laboratories of Canada (ULC).

Our investigators work closely with law enforcement personnel when an arson fire occurs to identify an offender and prepare the evidence in the required manner to obtain a conviction.

To continue to ensure the psychological well being of those emergency response personnel responding to abnormal situations.

Numerous defusings, debriefings and on-scene support services continue to be provided by the existing seven OFC rural/northern CISM teams in the Province.

CISM instruction and pre-incident education has been provided to the MESC students to prepare them for situations they may encounter during their training and for their future employment in emergency services.

An inventory of existing CISM and trauma response teams is being created to support appropriate and timely access to trauma resources in Manitoba.

Consultation has been provided to assist the Regional Health Authorities in coping with the impact of Bovine Spongiform Encephalopathy (BSE) and the drought in Manitoba. A proposal was submitted to the Workplace Safety and Health Division of Manitoba Labour and Immigration to develop psycho-educational material to help with critical incidents in the agricultural and industry areas. This proposal was not accepted and will be adapted and resubmitted to the Workers Compensation Board for the Community Initiatives and Research Proposal Fund for 2004.

Consultations have also been provided to British Columbia to assist with the trauma of the forest fires and to Saskatchewan regarding the creation of a Provincial CISM network.

To continue to develop prevention programs so as to reduce fire and life safety incidents.

The OFC remains committed to reducing the number of fires in Manitoba. Fire and life safety is promoted through conferences, seminars and speaking engagements throughout the Province of Manitoba and by supporting the Manitoba Fire Service in their public education programs by providing the departments with fire and life safety materials and programs free of charge. Included in these materials are Nero and Ashcan fire safety materials and a Hose and Ladders Game Board designed for children aged 3 to 13 years of age, as well as informational pamphlets on fire and life safety developed by the OFC. The OFC also produces the "Burning Issues" newsletter three times a year to provide the Manitoba Fire Service with a forum to share new ideas and information.

The OFC also continues to develop inter-agency partnerships to develop programs for the citizens of Manitoba. These include but are not limited to:

- A partnership with Manitoba Hydro to warn the citizens of Manitoba of the potential dangers associated with the misuse of extension cords, communicated through mail-outs, billboards and personal appearances on radio shows.
- A partnership with Manitoba Conservation to address the issue of "person-set" fires. This included the development and distribution of awareness materials such as bookmarks and placemats, as well as radio and newspaper ads to communicate the dangers of these types of fires to the citizens of Manitoba.
- A partnership with the Winnipeg Fire and Paramedic Service to develop and print the "Fire Setting and Youth" book, designed for use by parents, educators and facilitators for children who may be "at risk" for setting fires.
- A partnership with McDonalds during Fire Prevention Week for the OFC to distribute fire safety materials developed by McDonalds to the Manitoba Fire Service free of charge.

The OFC will sponsor a one-day Fire and Life Safety Conference on September 25, 2004. This conference is specifically designed for

fire and life safety educators to provide tools for them to assist in the delivery of fire and life safety materials and programs in their districts. The MESC also offers the Fire and Life Safety Educators 1035 Course.

The Fire and Life Safety Advisory Committee meets three times a year to provide advice and recommendations on public education initiatives and materials with a Provincial perspective. This also provides a forum to assist in disseminating public education materials throughout the Province and provides assistance in promoting public education initiatives at the local and/or regional level. The Committee is comprised of members of the Manitoba Fire Service, Manitoba Education Training and Youth, the Manitoba Association of Native Fire Fighters, IMPACT (the injury prevention centre of the Children's Hospital in Winnipeg) and the Manitoba Association of Fire Chiefs.

The Youth Fire Stop Program Training is offered to the Manitoba Fire Service, mental health workers, justice and school personnel with the goals of stopping curiosity fire setters from injuring themselves and others, reducing property damage caused by children playing with fire and preventing the child fire setter from becoming an adult fire setter.

To continue to work to develop and implement effective codes to ensure life safety and structural sufficiency.

In support of this objective, the OFC;

- Continues to develop and/or update policy and procedures to reflect current and future changes.
- Continues to ensure that all codes staff are trained to all levels of the Building Officials Training Program.
- Ensures that all Codes staff maintain the required credits for their certification levels.
- Encourages staff to participate in the Code development process at both the Provincial and National levels.
- Encourages all stakeholder groups to update their skills in Code application.
- Encourages all Municipalities to hire only qualified or trained persons hired to administer and enforce the Codes.
- Participates in the co-ordination of seminars and workshops with respect to the 2005 objective based codes.
- Continues to work towards the development of partnerships with other stakeholders and improving liaison with local authorities.

4 PERFORMANCE MEASURES

Investigations Department:

Fire investigations are conducted by members of the Manitoba Fire Service or the OFC in co-operation with police authorities and the insurance industry. Clients call upon the services of our fire investigators for situations such as fire fatalities, serious injuries, explosions, fires where origin or cause cannot be determined and any fire resulting in a major loss to the community.

The goal of the OFC is to see the number of investigations decline. This would reduce operating costs through the reduction of overtime paid to investigators. The key to achieving this goal is to continue training members of the Manitoba Fire Service in fire investigations. This would allow OFC investigators to deal with the more critical investigations.

The investigation work done by the Agency assists in the laying of criminal charges and conviction of criminals. No specific targets are set in these areas as the number of charges and convictions fluctuate with the number of arson incidents. Decisions made and actions taken by the police and prosecutors influence both the number of charges and convictions.

Where arson is the cause of a fire, there can be savings to the insurance industry through reduced payouts. Investigative work also identifies how a structure performed during a fire which provides valuable evidence as to the adequacy of existing building codes. The knowledge gained is used to provide input into the code setting process.

	2003*	2002*	2001*
Number of investigations conducted	626	506	451
Percent of fires for which a cause was determined	80%	79%	81%
Number of charges laid	103	104	124
Decrease/(increase) in arson/suspicious fires			
a.) Winnipeg	(32%)	7%	(8%)
b.) Remainder of Province	(28%)	(28%)	(4%)

* *Calendar year*

Manitoba Emergency Services College (MESC):

The MESC provides training in program areas including Fire Fighting Practices, Fire Service Instructor, Public Safety, Rescue, Hazardous Materials, Driver/Operator, Institutional Fire Protection, Fire Officer, Fire Investigation, Building Standards and Fire Prevention.

The large number of graduates from these MESC courses helps ensure that the Province maintains a network of trained emergency response personnel. In addition to providing free training to our traditional Manitoba client, the MESC has been seeking revenue sources through new clients.

MESC Programs	2004
Number of people taking courses at the MESC	3,530
Gainful employment for Public Fire Protection Program students in an emergency service career within one year of graduating*	90%
Overall satisfaction rating of MESC programs by Public Fire Protection Program students	90%
Satisfaction rating of individual courses offered by the MESC (scale of 10)	9

Medical Program	2004
Pass rate for Emergency Medical Technician/Primary Care Paramedic written exam on first attempt in Provincial Ambulance Program	93.3%
Pass rate for Emergency Medical Responder written exam on first attempt in Provincial Ambulance Program	72.0%
Pass rate for first attempt of practical exam Emergency Medical Technician Provincial Program**	74.0%
Pass rate for first attempt of practical exam Emergency Medical Responder Provincial Program **	67.0%
Satisfaction rating of program by:	
Employers	85.8%
Students	87.5%

** This performance measure can be difficult to track due to the remote geographical locations in which some former students may establish their career.*

***Due to several changes in scopes of practice and evaluation tools used by Manitoba Health the success rate on the first attempts have declined. The OFC and Manitoba Health have been working together to ensure an appropriate measurement tool is utilized.*

Critical Incident Stress Management (CISM):

The OFC initiated, developed and now maintains a Provincial network of trained Critical Incident Stress Management personnel. Their primary role is to provide support to first responders who are engaged in critical incidents to mitigate the negative psychological affects that such incidents can have on the personal and career lives of these responders.

	2004
Develop and provide continuing education presentations for delivery by CISM teams	5
Deliver CISM conference (held once every two years)	1
Develop CISM training manuals (Basic and advanced)	Complete
Continue with the study on psychological screening tools for Pre-Employment Fire Protection Program students	Ongoing

Codes and Standards:

The Codes & Standards Section plays an important role in public safety. By reviewing building plans, inspecting buildings and providing consultative services to the public, the staff help ensure that buildings meet National Building Codes and do not present a serious threat to public safety. The goal of this section of the Agency is to reduce injuries, deaths and property losses arising from substandard construction. We can not readily quantify these public benefits.

	2004	2003
Time to process building permits (% within 9 working days)	90%	90%
Delivery of awareness seminars for Recreational Vehicles/Mobile Home dealers re: safety requirements	2	1
Develop educational programs with other government agencies	3	2
Delivery of contractor information sessions	2	0

Emergency services:

The fire service in North America has traditionally been re-active, responding to emergency situations as they arise with less emphasis on prevention.

The Agency wants to help ensure that the Manitoba Fire Service places an emphasis on prevention and education in an effort to minimize the number of life and property threatening incidents that occur.

To this end, the Agency has developed a Five Step Action Plan for the fire service. The Agency will continue to work with the Manitoba Fire Service to help implement the program.

	2004	2003	2002
Attendance at Mutual Aid District meetings when requested	90%	83%	N/A
Management to attend one Mutual Aid District meeting per district per year	85%	80%	N/A
When requested to respond to Emergency Situations, the response shall be within 45 minutes of call*	100%	100%	N/A
Action requests for assistance from Municipal council or fire department within 3 working days*	90%	90%	N/A
Action requests for fire inspection from all client groups within 5 working days*	100%	100%	N/A
Number of emergency responses	30	29	18

* *Initial contact made within the specified time frames, with appointments made at a mutually agreed upon date and time.*

5 FINANCIAL DISCUSSION AND ANALYSIS (000'S)

REVENUES

Levy – Levy revenue for the 2003/04 fiscal year increased by 14%. Usually, the Agency expects an increase up to 5% in the levy each fiscal year. The larger increase this year is due to continuing effects from the World Trade Center disaster and losses on investments held by insurers. These continue to be passed on to consumers through higher premiums. These higher premiums have increased the base on which the levy is calculated.

Permits – Permit revenue is $69 (6 per cent) below last year's actuals and $233 (29 per cent) over budget. Revenue from this source is economically cyclical and can fluctuate significantly from fiscal year to fiscal year.

Tuition and Contract Revenue – Tuition and contract revenue is $144 (11 per cent) under last year's level and $35 (3 per cent) over budget. Revenue decreased slightly from last fiscal year due to lower revenue from fee for service courses. Our primary customer for training, the Manitoba Fire Service, continues to receive training at no charge.

New Search and Rescue (SAR) Initiative Fund (NIF) Grant – The Agency has applied for and received a grant from the National Search and Rescue Secretariat of the Department of National Defence. The purpose of this grant is to enhance Manitoba search and rescue capabilities by developing the volunteer search and rescue system aimed at northern and remote areas of Manitoba.

JEPP (Joint Emergency Preparedness Program) Initiative Grant – The Agency has applied for and received a grant from the Office of Critical Infrastructure Protection and Emergency Preparedness. The purpose of this grant is to enhance the Province of Manitoba's ability to respond to hazardous material emergency responses through the provision of training and equipment. The Province of Manitoba is providing funding to the Agency for this initiative as well.

HUSAR (Heavy Urban Search and Rescue) Initiative Grant - The Agency has applied for and will receive a grant from the Office of Critical Infrastructure Protection and Emergency Preparedness. The purpose of this grant is to enhance the Province of Manitoba's ability to respond to heavy urban search and rescue responses through the provision of training and equipment. The Province of Manitoba is providing funding to the Agency for this initiative as well.

Interest – Interest revenue represents interest earned on investments held by the Fires Prevention Fund. Interest revenue is up $13 (16 per cent) from last fiscal year and $17 (22 per cent) over budget due to an increase in the average balance of short term investments held during the fiscal year.

Inspections – Inspection revenue has decreased $6 (67 per cent) and is $12 (80 per cent) under budget due to a decrease in the number of paid fire inspections performed by the Agency.

Book Sales – Book sales are $8 (89 per cent) under last year's actuals and $1 (50 per cent) under budget due to the cost of producing EMR and EMT course material. It is anticipated all materials produced will be cost recovered through the sale of these books.

Water Bomber Recovery – The amount of $78 represents the recovery of costs associated with the summer fire season in Manitoba. Recovery amounts can fluctuate year to year, depending on the number and severity of responses requiring this type of fire suppression activity.

Summary - Agency revenues (excluding the NIF Grant of $33, the JEPP Initiative Grant of $135, and the HUSAR Initiative Grant of $196) have increased by $208 (3 per cent) and are over budget by $997 (16 per cent) for fiscal 2003/04. The improved revenue performance this fiscal year can be directly attributed to increases in estimated levy revenue, increased interest revenue, and permit revenue above budgeted amounts.

EXPENDITURES

Salaries & Benefits –Salaries and benefits have increased $390 (13 per cent) over the last fiscal year due to the general salary increase for 2002/03 and 2003/04 and the reclassification of some staff. Costs for this category are $333 (9 per cent) under budget due to positions that remained vacant throughout the fiscal year.

Amortization – Amortization costs are above last year's actuals by $70 (17 per cent) due to increased spending on capital assets in the 2003/04 fiscal year.

Travel – Travel costs are $45 (14 per cent) under budget due to a decrease in travel expenses in the Manitoba Emergency Services College, Administration and Investigations sections of the Agency.

Repair and Maintenance – Repair and maintenance costs are $38 (11 per cent) under budget due to lower than expected repairs and maintenance costs in all Sections of the Agency.

Communication – Communication costs are $28 (16 per cent) under last year's actuals and $30 (17 per cent) under budget due to cost reductions achieved through lower cost cellular service agreements and reductions in land line phone expenses.

Mutual Aid – The mutual aid line item represents incentive grants given to mutual aid districts to encourage the delivery of training programs in their districts with their own personnel. Certain criteria must be met before a grant will be issued. This amount is $17 (17 per cent) under last year's actuals and $46 (36 per cent) under budget as fewer districts have applied and received mutual aid grants.

Rent – Rent costs are $20 (11 per cent) over last year's actuals and $20 (11 per cent) over budget due to increased costs of Government office accommodations as well as an increase in equipment rentals for the Pre-Employment Fire and Paramedic Program.

Supplies – Supply costs are $96 (53 per cent) over last fiscal year actuals, and are $34 (14 per cent) over budget. The increase is due to higher than expected costs for MESC supplies related to training and education and re-accreditation of 29 programs.

Public Education Materials – Public education materials are $10 (13 per cent) under last year's actuals but are in line with the budgeted amount.

Marketing – Marketing costs are $25 (69 per cent) under budget. The Agency has moved away from using external consultants to market its revenue generating activities to utilizing internal staff who have direct contact with our desired marketplace.

Insurance – Insurance costs are $16 (20 per cent) under last year's actuals and $27 (29 per cent) under budget due to lower than expected vehicle insurance costs.

Professional Services – Professional services costs are $63 (21 per cent) under budget due to lower than expected professional service costs at the MESC. The filling of vacancies throughout the fiscal year has reduced contract instructor costs for MESC programs.

Postal and Courier – Postal and courier costs are $9 (20 per cent) under budget due to lower than expected costs in the Manitoba Emergency Service College and Administration sections of the Agency.

Professional Development – Professional development costs are $7 (44 per cent) under last fiscal year actuals and $17 (65 per cent) due to lower than expected professional development costs in all Sections of the Agency. The majority of professional development activities occur in-house, and associated costs are not reflected on the financial statements.

Publications – Publication costs have decreased $12 (38 per cent) from last year and are $10 (33 per cent) under budget due to a reduction in this spending in all sections of the Agency.

Search and Rescue – The Search and Rescue (SAR) line item captures the cost associated with SAR training and five search and rescue incidents. It is important to note that this line item does not include salary dollars associated with search and rescue activities. Costs are $87 (87 per cent) under budget, as these types of incidents cannot be predicted and are difficult to budget.

New Search and Rescue (SAR) Initiative Fund (NIF) Expenditures – The new SAR initiative (NIF) expenditure line item captures all costs associated with the provision of the NIF initiative as discussed in the Revenue Section.

JEPP Initiative Expenditures and Amortization – The JEPP initiative expenditure line item captures all costs associated with the provision of the JEPP initiative discussed in the Revenue Section. Included in this initiative was the purchase in fiscal 2003 of $343 in capital assets, which are being amortized in accordance with the Agency's amortization policies. The portion of the grant that was spent on capital assets has been allocated to deferred revenue, and will be taken into income at the same amount of amortization on the JEPP capital assets.

HUSAR Initiative Expenditures and Amortization – The HUSAR initiative expenditure line item captures all costs associated with the provision of the HUSAR initiative discussed in the Revenue Section. Included in this initiative was the purchase in fiscal 2004 of $185 in capital assets, which are being amortized in accordance with the Agency's amortization policies. The portion of the grant that was spent on capital assets has been allocated to deferred revenue, and will be taken into income at the same amount of amortization on the JEPP capital assets.

Summary – Overall, expenditures (excluding the NIF expenditures of $66, the JEPP Initiative expenditures and amortization of $135, and the HUSAR Initiative expenditures and amortization of $196) have increased by $292 (5 per cent) over last fiscal year actuals due mainly to increases in salaries and benefits, amortization, and supplies costs. Expenditures (excluding the NIF expenditures of $66, the JEPP Initiative expenditures and amortization of $135, and the HUSAR Initiative expenditures and amortization of $196) were $754 (10 per cent) under budget due mainly to salaries and benefits, travel, repairs and maintenance, communications, mutual aid, marketing, insurance, professional services, professional development, and search and rescue costs being under budget. The Agency incurred a surplus of $447 in fiscal 2003/2004 versus a surplus of $540 during fiscal 2002/2003.

Management's Report

For the year ended March 31, 2004:

The accompanying financial statements of the Office of the Fire Commissioner are the responsibility of management and have been prepared in accordance with Canadian generally accepted accounting principles. In the management's opinion, the financial statements have been properly prepared within the reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available up to May 20, 2004.

Management maintains internal controls to provide reasonable assurance of the reliability and accuracy of the financial information and that the assets of the Office of the Fire Commissioner are properly safeguarded.

The responsibility of the auditor is to express an opinion of whether the financial statements of the Office of the Fire Commissioner are fairly presented in accordance with Canadian generally accepted accounting principles. The auditor's report outlines the scope of the audit examination and provides the audit opinion.

On behalf of management,

Douglas Popowich
Fire Commissioner

Brian A. Hodge, CGA
Comptroller

BDO

BDO Dunwoody LLP
Chartered Accountants
and Advisors
www.bdo.ca

700 - 200 Graham Avenue
Winnipeg Manitoba Canada R3C 4L5
Telephone (204) 956-7200
Telefax (204) 926-7201

Auditors' Report

To the Special Operating Agencies Financing Authority

We have audited the balance sheet of the **Office of the Fire Commissioner** as at March 31, 2004 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Agency as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants

Winnipeg, Manitoba
May 20, 2004

OFFICE OF THE FIRE COMMISSIONER - An Agency Of The Special Operating Agencies Financing Authority
Balance Sheet

March 31		2004		2003
		(000's)		
Assets				
Current Assets				
Cash	$	3,740	$	2,916
Short-term investments (Note 3)		2,897		1,886
Accounts receivable (Note 4)		540		1,585
Accrued interest		9		11
Inventory		13		17
Prepaid expenses		55		26
		7,254		6,441
Non-Current Assets				
Due from Province of Manitoba - Severance (Note 7)		311		311
Due from Province of Manitoba - Vacation Pay (Note 14)		248		248
Capital assets (Note 6)		5,616		5,616
	$	6,175	$	6,175
	$	13,429	$	12,616
Liabilities and Equity				
Current Liabilities				
Accounts Payable	$	459	$	410
Accrued Liabilities		624		464
Deferred Revenue		718		564
		1,801		1,438
Severance (Note 7)		365		362
	$	2,166	$	1,800
Equity				
Retained Earnings		11,263		10,816
	$	13,429	$	12,616

Approved on behalf of the Special Operating Agency Advisory Board:

Chairperson

Fire Commissioner

The accompanying notes are an integral part of these financial statements

OFFICE OF THE FIRE COMMISSIONER - An Agency of The Special Operating Agencies Financing Authority
Statement of Operations and Retained Earnings

For the year ended March 31 (000's)

Revenue	2004 Actual	2003 Actual	Variance	Budget	Budget Variance
Levy	$ 4,551	$ 3,996	$ 555	$ 3,828	$ 723
Permits, Plan Review & Per Capita	1,037	1,106	(69)	804	233
Tuition & Contract Revenue	1,221	1,365	(144)	1,186	35
New SAR Initiative (NIF) Grant (Note 9)	33	120	(87)	—	33
JEPP Initiative Grant (Note 10)	135	528	(393)	—	135
HUSAR Initiative Grant (Note 11)	196	—	196	—	196
Interest	94	81	13	77	17
Inspections	3	9	(6)	15	(12)
Emergency Services Conference	96	106	(10)	92	4
Book Sales	1	9	(8)	2	(1)
Rent	1	1	—	2	(1)
Water Bomber Recovery	78	188	(110)	102	(24)
Other Revenue	63	76	(13)	40	23
Total Revenue	7,509	7,585	(76)	6,148	1,361
Expenses					
Salaries and Benefits	3,453	3,063	390	3,786	(333)
Amortization	479	409	70	458	21
Vehicle Lease	331	324	7	362	(31)
Travel	287	301	(14)	332	(45)
Repairs and Maintenance	296	290	6	334	(38)
Communications	145	173	(28)	175	(30)
Mutual Aid	82	99	(17)	128	(46)
Rent	195	175	20	175	20
Desktop Management	215	232	(17)	247	(32)
Medical Computer Lab	27	25	2	26	1
Property Taxes	110	108	2	113	(3)
Labour Services	81	81	—	83	(2)
Supplies	277	181	96	243	34
Public Education Material	67	77	(10)	66	1
Marketing	11	12	(1)	36	(25)
Utilities	71	79	(8)	70	1
Insurance	65	81	(16)	92	(27)
Professional services	235	241	(6)	298	(63)
Postal & Courier	37	40	(3)	46	(9)
Professional Development	9	16	(7)	26	(17)
Land Lease	10	10	—	11	(1)
Publications	20	32	(12)	30	(10)
Buildings Standards Board	—	3	(3)	3	(3)
S.O.A. Board	1	1	—	2	(1)
Search and Rescue	13	20	(7)	100	(87)
New SAR Initiative (NIF) Expenditures (Note 9)	66	144	(78)	—	66
JEPP Initiative Expenditures (Note 10)	80	460	(380)	—	80
JEPP Initiative Amortization (Note 10)	55	68	(13)	—	55
HUSAR Initiative Expenditures (Note 11)	155	—	155	—	155
HUSAR Initiative Amortization (Note 11)	41	—	41	—	41
Water Bombing	78	188	(110)	102	(24)
Other	70	112	(42)	75	(5)
	7,062	7,045	17	7,419	(357)
Net income (loss) for the year	447	540	(93)	(1,271)	1,718
Retained earnings, beginning of year	10,816	10,276			
	$ 11,263	$ 10,816			

The accompanying notes are an integral part of these financial statements.

OFFICE OF THE FIRE COMMISSIONER - An Agency Of The Special Operating Agencies Financing Authority
Statement of Cash Flows

For the year ended March 31	2004	2003
	(000's)	
Cash Flows from Operating Activities		
Net income for the year	$ 447	$ 540
Items not involving cash		
Amortization of capital assets	575	477
Gain on disposal of assets	(5)	—
	1,017	1,017
Net change in non-cash working capital balances	1,388	(407)
	2,405	610
Cash Flows from Investing Activities		
Purchase of capital assets	(578)	(539)
Proceeds on capital asset sales	8	—
	(570)	(539)
Increase (decrease) in cash and cash equivalents during the year	1,835	71
Cash and cash equivalents, beginning of year	4,802	4,731
Cash and cash equivalents, end of year	$ 6,637	$ 4,802
Represented by:		
Cash and bank	$ 3,740	$ 2,916
Short-term investments	2,897	1,886
	$ 6,637	$ 4,802

The accompanying notes are an integral part of these financial statements.

1. NATURE OF THE OFFICE OF THE FIRE COMMISSIONER

Effective April 1, 1996, the Office of the Fire Commissioner was designated as a Special Operating Agency (SOA) under The Special Operating Agencies Financing Authority Act, Cap. S185, C.C.S.M. and operates under a charter approved by the Lieutenant Governor in Council.

Effective April 1, 1996, a Transfer Agreement executed between the Government of Manitoba (Labour) and the Financing Authority, a corporation under The Special Operating Agencies Financing Authority (SOAFA) Act, transferred all assets in the Fires Prevention Fund valued at $11,809 to the Financing Authority.

A Management Agreement executed between the Financing Authority and the Government of Manitoba (Labour) assigned responsibility to the Office of the Fire Commissioner to manage and account for the related assets and operations on behalf of the Financing Authority. The Office itself does not hold title to any assets. Effective April 1, 1996, the Financing Authority established a fund account referred to as the Fires Prevention Fund to hold these assets.

The Office of the Fire Commissioner will continue to be part of the Department of Labour and Immigration and ultimately under the policy direction of the Minister of Labour and Immigration.

The Office of the Fire Commissioner will remain bound by relevant legislation and regulations. It will also remain bound by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

The Office of the Fire Commissioner is economically dependent on the Province of Manitoba, as it derives most of its revenues from the Fires Prevention Levy.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

The financial statements are presented in accordance with Canadian generally accepted accounting principles.

b) Financial Instruments

The Agency's financial instruments consist of cash, accounts receivable, investments and accounts payable. Unless otherwise noted, it is management's opinion that the Agency is not exposed to significant interest, currency or credit risks arising from these financial instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Accounting estimates and assumptions

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

d) Inventory

Inventory is valued at cost.

e) Capital assets

Buildings, fire engines, other vehicles and air compressors transferred to the SOAFA from the Government of Manitoba on April 1, 1996 were valued at the lower of their amortized cost or estimated market value. All other assets transferred from the Government of Manitoba on April 1, 1996 were valued at their market value.

The Office provides for amortization of its capital assets on the following basis:

Buildings	40 years straight line
Practical training site	20 years straight line
Equipment	20% declining balance
Equipment – JEPP	20% declining balance
Equipment – HUSAR	20% declining balance
Fire engines	30% declining balance
Other vehicles	30% declining balance
Other vehicles - HUSAR	30% declining balance
Air compressors	20% declining balance
Furniture	20% declining balance
Computer equipment and software	5 years straight line
Computer equipment – JEPP	5 years straight line
Computer equipment – HUSAR	5 years straight line

The half-rate rule is applied to computer equipment and software additions during the year.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

f) Revenue recognition

The Fires Prevention Act imposes a special assessment on licensed insurers equal to a set percentage of total property insurance premiums.

The Office of the Fire Commissioner collects this levy based on the value of premiums and assessments in respect to property insurance in a calendar year. Levy revenue with respect to the 2003 calendar year will be recognized as revenue in the fiscal year ending March 31, 2004. The levy rate is set at 1.25%.

All other revenue is recognized when earned.

3. INVESTMENTS

The Investment Balance represents funds on deposit with the Department of Finance of the Province of Manitoba with maturities of less than one (1) year. Investments on deposit with maturities greater than one (1) year are classified as long term.

4. ACCOUNTS RECEIVABLE

The accounts receivable balance is made up of the following:

	2004	2003
Insurance Branch of Department of Consumer & Corporate Affairs	$ 158	$ 797
Office of Critical Infrastructure Protection and Emergency Preparedness (HUSAR Initiative)	228	554
National Search and Rescue Secretariat (NIF Initiative)	—	10
Other	154	224
	$ 540	$ 1,585

5. COMPARATIVE AMOUNTS

The comparative amounts presented in the financial statements have been restated to conform to the current year's presentation.

March 31, 2004 (000's)

6. CAPITAL ASSETS

	Opening Balance	Additions	Disposals	Closing Balance
Buildings	$ 4,047	$ —	$ —	$ 4,047
Training site	1,935	—	—	1,935
Equipment	1,177	32	—	1,209
Equipment – JEPP	336	—	—	336
Equipment – HUSAR	—	139	—	139
Fire engines	459	296	—	755
Other vehicles	204	5	16	193
Other vehicles – HUSAR	—	40	—	40
Air compressors	199	41	1	239
Furniture	70	—	—	70
Computers	134	19	—	153
Computers – JEPP	7	—	—	7
Computers – HUSAR	—	6	—	6
Total cost	$ 8,568	$ 578	$ 17	$ 9,129

	Opening Accumulated Amortization	Disposition	Current Year's Amortization	Accumulated Amortization
Building	$ 829	$ —	$ 120	$ 949
Training site	475	—	97	572
Equipment	727	—	95	822
Equipment – JEPP	67	—	54	121
Equipment – HUSAR	—	—	28	28
Fire engines	381	—	112	493
Other vehicles	184	(14)	7	177
Other vehicles – HUSAR	—	—	12	12
Air compressors	138	—	23	161
Furniture	54	—	3	57
Computers	96	—	22	118
Computers – JEPP	1	—	1	2
Computers – HUSAR	—	—	1	1
Total amortization	$ 2,952	$ (14)	$ 575	$ 3,513
Net capital assets	$ 5,616			$ 5,616

7. SEVERANCE LIABILITY

Effective April 1, 1998, The Office of the Fire Commissioner began recording accumulated severance pay benefits for its employees. The estimate of the liability was based on the method of calculation set by the Province.

The Province has accepted responsibility for the severance benefits accumulated by The Office of the Fire Commissioner's employees to March 31, 1998. Accordingly, the opening severance pay liability balance as at April 1, 1998 of $282 was completely offset by a receivable from the Province. The receivable from the Province, or portion thereof, for the Office of the Fire Commissioner will be collected in the event there is a cash shortfall. However, this is only likely to happen on the dissolution of the Agency.

An actuarial valuation report of the Agency's severance as at March 31, 2000 was completed. The liability as at March 31, 2000 was restated to $340 and the receivable from the Province was restated to $311 as a result of the actuarial valuation. There was no effect on the severance benefit expense for the year ended March 31, 2000. The report provides a formula to update the liability on an annual basis. In accordance with the formula, the Agency's actuarial liability has been calculated to be $365 as at March 31, 2004.

8. CONTRIBUTED CAPITAL

In consideration of the transfer of said assets effective April 1, 1996, the SOAFA shall:

a) not incur or repay to the Government of Manitoba any debt relative to the assets as described in the balance sheet prepared as of March 31, 1996 and verified by the Department of Finance; and

b) record the balance of $11,038 (being the balance of the net assets as described in the balance sheet prepared as of March 31, 1996 and verified by the Department of Finance) as Manitoba's equity in the Financing Authority as related to the Agency's operations.

Due to a change in accounting policy, buildings are being amortized over 40 years as opposed to 30 years. This has resulted in a revaluation of buildings as at April 1, 1996. The value of buildings and contributed equity has increased $241 as at April 1, 1996 to $11,279.

9. NEW SEARCH AND RESCUE (SAR) INITIATIVE (NIF)

The Office of the Fire Commissioner has applied for and received a grant from the National Search and Rescue Secretariat of the Department of National Defence. The purpose of this grant is to enhance Manitoba search and rescue capabilities by developing the volunteer search and rescue system aimed at northern and remote areas of Manitoba.

The Office was approved to receive a grant of up to $185 over a two year period, with an amount of $120 received in 2002/03 and the remaining $68 to be received in 2003/04. The Office provided services in kind of $63 over the same period, with an amount of $30 provided in 2002/03 and the remaining $33 in 2003/04.

9. NEW SEARCH AND RESCUE (SAR) INITIATIVE (NIF) (continued)

The New SAR Initiative (NIF) Grant line item reflects the actual grant received in Fiscal 2004 of $33. The New SAR Initiative (NIF) Expenditures line item reflects the following:

Operating expenditures	$ 33
Office of the Fire Commissioner service-in-kind portion	33
Total	$ 66

An additional $3 of the grant was utilized to purchase a capital asset for this initiative in Fiscal 2003. This amount is reflected on the balance sheet Capital Asset line item and will be amortized based on the declining balance method at a rate of 20% for equipment.

10. JOINT EMERGENCY PREPAREDNESS PROGRAM (JEPP) GRANT

The Office of the Fire Commissioner has applied for and received a grant from the Office of Critical Infrastructure Protection and Emergency Preparedness. The purpose of this grant is to enhance the Province of Manitoba's ability to respond to hazardous material emergency responses through the provision of equipment and training. The Province of Manitoba also is providing funding to the Office for this initiative.

In Fiscal 2003/04, the Office applied for and received an amount of $78 from the Province of Manitoba. An additional amount of $56 was taken into revenue from the deferred revenue account for the amortization of the JEPP assets in 2003/04, as well as $1 of deferred revenue which was used for operating expenditures in 2003/04. This resulted in total JEPP revenue for the year of $135.

The JEPP Initiative Expenditure line item is comprised of the following:

Salary costs	$ 74
Operating expenditures	6
Total	$ 80

In Fiscal 2002/03, $342 was utilized to purchase capital assets for this initiative. An amount of $336 is reflected on the balance sheet Capital Asset line item and will be amortized based on the declining balance method at a rate of 20% for equipment. An additional amount of $7 is reflected on the balance sheet Capital Asset line item and will be amortized based on the five-year straight-line method for computer equipment. The deferred revenue related to these capital asset purchases will be recognized in the same fiscal year and in the same amount as the amortization expense on the JEPP capital assets.

11. HEAVY URBAN SEARCH AND RESCUE INITIATIVE

The Office of the Fire Commissioner has applied for and will receive a grant from the Office of Critical Infrastructure Protection and Emergency Preparedness. The purpose of this grant is to enhance the Province of Manitoba's ability to respond to heavy urban search and rescue responses through the provision of equipment and training. The Province of Manitoba also is providing funding to the Office for this initiative.

The Office has applied for and will receive an amount of $228 from the Office of Critical Infrastructure Protection and Emergency Preparedness. The Office has also applied for and has received an amount of $113 from the Province of Manitoba, for a total grant revenue of $341. $145 of this total grant revenue has been allocated to deferred revenue.

The HUSAR Initiative Expenditure line item is comprised of the following:

Non-capital equipment purchases	$ 90
Training costs	18
Salary costs	36
Operating expenditures	11
Total	$ 155

An additional $185 was utilized to purchase capital assets for this initiative. An amount of $139 is reflected on the balance sheet Capital Asset line item for equipment purchases and will be amortized based on the declining balance method at a rate of 20% for equipment. An amount of $40 is reflected on the balance sheet Capital Asset line item for other vehicle purchases and will be amortized based on the declining balance method at a rate of 30% for other vehicles. An additional amount of $6 for computer purchases is reflected on the balance sheet Capital Asset line item and will be amortized based on the five-year straight-line method for computer equipment. The deferred revenue related to these capital asset purchases will be recognized in the same fiscal year and in the same amount as the amortization expense on the HUSAR capital assets.

12. COMMITMENTS AND CONTINGENCIES

The Office of the Fire Commissioner as tenant has entered into a Lease Agreement with the City of Brandon as Landlord for the land upon which the practical training facility has been constructed. The term of the lease is five (5) years commencing June 1, 2002 and expiring May 31, 2007, with three (3) five-year renewal options. Minimum annual rent is $10 due on equal monthly installments, plus all operating costs with respect to the subject land.

The Office of the Fire Commissioner has entered into 30 vehicle lease agreements and 4 equipment lease agreements which give rise to commitments as follows:

	March 31
2005	$ 193
2006	108
2007	63
2008	62
2009	33
	$ 459

At the end of each vehicle lease, the Agency is obligated to pay any shortfall between the net proceeds on vehicle disposition and the agreed residual value.

13. PUBLIC SECTOR COMPENSATION

Pursuant to disclosure required by The Public Sector Compensation Disclosure Act, no remuneration was paid to the Advisory Board members. During the fiscal year ended March 31, 2004, the following employees received compensation of wages and taxable benefits of $50 or more:

Name	Position	2004	2003
R. Vandekerkhove	Investigator	$ 89	$ 86
A. J. Campbell	Manager, Codes and Standards	88	65
D. Popowich	Fire Commissioner	85	83
K. Swan	Investigator	84	64
B. Hodge	Comptroller	75	68
D. B. Monkman	Investigator	75	66
D. Schafer	Manager, Operations	71	64
C. Hogarth	Investigator	70	68
G. Favelle	Manager, Critical Incident Stress Management	70	68
C. Jones	Deputy Fire Commissioner	68	–
W. Harrow	Investigator	63	58
N. Anderson	Manager, Codes and Standards	63	–
M. Bedford	Emergency Services Officer	62	68
R. Bridges	Emergency Services Officer	59	–
M. Lamb	Fire and Life Safety Educator	59	–
R. Gillis	Emergency Services Officer	59	65
R. Denslow	Emergency Services Officer	59	66
R. Pike	Coordinator, Public Fire Paramedic Program	58	54
M. Kerbis	Emergency Services Officer/Instructor	57	52

13. PUBLIC SECTOR COMPENSATION (continued)

Name	Position	2004	2003
R. Harvey	Coordinator, Rescue Programs	$ 57	$ 60
D. R. Beacham	Special Projects Officer	56	54
L. Treloar	Technical Services Officer	56	56
K. Carmichael	Emergency Services Officer	56	52
B. J. Metruk	Emergency Services Officer/Instructor	55	54
B. D. Popko	Manager, Manitoba Emergency Services College	55	55
K. D. Hykawy	Technical Services Officer	55	53
T. Jennings	Technical Services Officer	55	57
S. Wolf	Technical Services Officer	55	57
J. P. Lebel	Manager, Special Projects	55	53
A. Gray	Emergency Services Officer	54	58
T. Grimshaw	Technical Services Officer	54	52
E. Moore	Coordinator, Fire Prevention and Protection	54	53
B. E. Hollier	Manager, Administration and Support Services	54	53
D. Singleton	Emergency Services Officer/Instructor	53	–
K. Lanceley	Emergency Services Officer	52	–
P. MacIsaac	Coordinator, Emergency Medical Programs	51	–
J. Wedge	Technical Services Officer	51	–
B. Bryan	Coordinator, Emergency Medical Programs	–	56
M. Watt	Coordinator, Hazardous Materials Program	–	52
B. Holowachuk	Special Projects Officer	–	51

14. VACATION PAY RECEIVABLE

Effective March 31, 1995, the Office of the Fire Commissioner commenced recording the estimated liability for vacation pay for its employees. The amount of the estimated liability is determined on March 31 of each year based on eligible vacation entitlements.

The Province of Manitoba has accepted responsibility for the vacation pay benefits accumulated to March 31, 1995 by the Office of the Fire Commissioner's employees. Accordingly, the Office of the Fire Commissioner recorded, effective March 31, 1995, a receivable of $248 from the Province of Manitoba, which is an amount that is equal to the estimated liability for vacation pay benefits at March 31, 1995.

This receivable from the Province of Manitoba has no terms of repayment and, accordingly, the amount of this receivable will remain fixed at $248.